



PLANNING COMMISSION SYNOPSIS

Thursday, April 07, 2016

CALL TO ORDER

Chairperson Nordstrom called the Planning Commission meeting to order at 6:00 PM in the City Council Chambers of the Bloomington Civic Plaza.

COMMISSIONERS PRESENT: Nordstrom, Willette, Spiess, Batterson, Fischer, Goodrum

COMMISSIONERS ABSENT: Bennett

STAFF PRESENT: Markegard, Schmidt, Johnson, O'Day

Chairperson Nordstrom led the attendees in the reciting of *The Pledge of Allegiance*.

ITEM 1
6:03 p.m.

CASE: PL2016-30

APPLICANT: Ryan Companies

LOCATION: 4400 W 78th Street

REQUEST: Major Revision to Final Development Plan for Marketpointe II parking structure expansion

SPEAKING FOR THE APPLICANT:

Dan Mueller, 50 South 10th Street, Minneapolis, MN 55403

PUBLIC HEARING DISCUSSION:

Markegard presented the location of the Marketpointe building and the history of development and past approvals on the site. The first phase included an office building with a parking structure. The second phase included an office building, restaurant and second parking structure. Similar to the second phase, the third phase would include an office building and another parking structure. The proposed parking structure expansion to Phase II would build a portion of the parking originally anticipated for Phase III and includes a 4 level ramp, an addition of 249 parking stalls and a lot line adjustment that has been approved by City Council on April 4, 2016. The ramp design would match the existing ramp materials with pre-cast concrete. The landscape plan is code compliant; however some trees conflict with the overhead power lines. The proposed deviations include setbacks and landscape yard between the internal lot lines and are consistent with past approvals.

Dan Mueller, Ryan Companies, stated CBRE is expanding their office space, which is the impetus for the parking ramp expansion.

Batterson asked if there will be an additional parking ramp for phase III.

Mueller said there will be an additional parking ramp with phase III but it is conceptual at this time. The future ramp would be consistent with the other parking structures on the property.

The public hearing was closed via a motion.

Spiess said she supported the parking ramp.

Batterson commended staff and the applicant for working together to meet the needs of employers in Bloomington.

Nordstrom noted the conditions were listed in the handout. The item goes to City Council on April 18, 2016.

ACTIONS OF THE COMMISSION:

M/Willette, S/Spiess: To close the public hearing. Motion carried 6-0.

M/Spiess, S/Willette: In Case PL2016-30, having been able to make the required findings, I move to recommend approval of a Major Revision to Final Development Plan for Marketpointe II parking ramp expansion at 4300 and 4400 West 78th Street and 4300 Marketpointe Drive, subject to the conditions and Code requirements attached to the staff report. Motion carried 6-0.

CONDITIONS OF APPROVAL RECOMMENDED TO THE CITY COUNCIL:

The following conditions of approval are arranged according to when they must be satisfied. In addition to conditions of approval, the use and improvements must also comply with all applicable local, state, and federal codes. Codes to which the applicant should pay particular attention are included below.

1. Prior to Permit The Grading, Drainage, Utility, and Erosion Control plans must be approved by the City Engineer.
2. Prior to Permit Storm Water Management Plan must be provided that demonstrates compliance with the City's Comprehensive Surface Water Management Plan. A maintenance plan must be signed by the property owners and must be filed of record with Hennepin County.
3. Prior to Permit A Nine Mile Creek Watershed District permit must be obtained and a copy submitted to the Engineering Division.
4. Prior to Permit The properties must be platted per Chapter 22 of the City Code and the approved final plat must be filed with Hennepin County prior to the issuance of any permits (22.03(a)(2)).
5. Prior to Permit An erosion control surety must be provided (16.05(b)).
6. Prior to Permit Sewer Availability Charges (SAC) must be determined and satisfied.
7. Prior to Permit Landscape plan must be approved by the Planning Manager and landscape surety must be filed (Sec 19.52). The applicant must submit permission from the easement holder to locate trees within the overhead electrical easement.
8. Prior to Permit Exterior building materials must be approved by the Planning Manager (Sec. 19.63.08).
9. Prior to Permit Parking lot and site security lighting plans must be revised to satisfy the requirements of Section 21.301.07 of the City Code.

10. Prior to Permit Tier 2 Transportation Demand Management plan must be submitted (Sec. 21.301.09(b)(2)).
11. Prior to C/O The developer must submit electronic utility as-builts to the Public Works Department prior to the issuance of the Certificate of Occupancy.
12. Prior to C/O Prior to occupancy, life safety requirements must be reviewed and approved by the Fire Marshal.
13. Prior to C/O A private common driveway/access agreement be filed with Hennepin County and proof of filing provided to the Engineering Division
14. Ongoing Building and site improvements are limited to those as shown on the approved plans in Case File #PL201600030.
15. Ongoing All construction stockpiling, staging, and parking must take place on-site and off adjacent public streets and public rights-of-way.
16. Ongoing All loading, unloading, pick-up and drop-off must occur on site and off public streets.
17. Ongoing Development must comply with the Minnesota State Accessibility Code (Chapter 1341).
18. Ongoing Alterations to utilities must be at the developer's expense.
19. Ongoing All conditions of Case #03974AB-07 apply to the Marketpointe II development.

ITEM 2
6:10 p.m.

APPLICANT: City of Bloomington
(study item)

REQUEST: Discuss the Neighborhood Commercial Centers Study

DISCUSSION:

Markegard presented the following on the Neighborhood Commercial Centers Study:

- Purpose
 - o To assist the HRA and City to prioritize the neighborhood commercial centers for reinvestment and/or redevelopment.
- Schedule
 - o March 8 – HRA study meeting
 - o April 7 – PC study meeting
 - o April 11 – CC study meeting
 - o April to May – Staff analysis
 - o June or July – present findings to HRA, PC and CC
- Last effort
 - o The City’s last effort at evaluating commercial areas was completed at least 15 years ago and was known as the “String of Pearls”
 - This study has a similar purpose, namely to update redevelopment prioritization.
 - o The fifteen String of Pearls areas were grouped into three priorities (A, B and C). Group A included the areas at France and Old Shakopee Road, Oxboro Center near 98th and Lyndale, 84th and Lyndale, Airport South now known as South Loop, and Penn Avenue from 98th to Old Shakopee Road. Significant redevelopment progress has occurred on all of the areas within Group A and the Southtown Area (now known as the Penn American District) within Group C.
- Neighborhood Commercial Areas
 - o 19 neighborhood commercial centers, with retail focus, were identified within Bloomington.
 - o To narrow the list of commercial centers, the following filters were applied:
 - Majority of the area is zoned commercial
 - Areas encompass over 5 acres
 - Exclude areas with regional land uses
 - Exclude the areas within district plans – they are already priorities and will continue to be and have been recipients of development
 - Exclude areas with recent HRA investment as they have already been prioritized
 - o With those filters, nine neighborhood commercial centers remain as candidates. They include: Amsden Ridge, Countryside, Normandale Village, 90th Street and Penn, Central Lyndale Avenue from north of 86th Street to south of 90th Street, Nicollet Avenue and American Boulevard, Nicollet Avenue and Old Shakopee Road, Portland Avenue and American Blvd, Old Cedar Avenue and Old Shakopee Road.
- Reaction: do you agree with the candidate areas? Any additional criteria?
 - o Willette commented on recent redevelopment at 90th Street and Penn Avenue as well as Portland Avenue and American Blvd.

- Batterson asked if there is a plan for the retail area at 84th Street and Normandale Blvd. Markegard said there is no redevelopment plan at this time. It was filtered out from the study as it is within the Normandale Lake District which is already prioritized.
- Spiess noted the commercial centers candidates cover the entire city. East Bloomington has a diverse community who travel by foot or use the bus. She thinks the commercial centers should reflect the transportation demand in East Bloomington and would like the study to use equity-based criteria.
- Fischer stated the filter narrowed down a good list of candidate areas that need improvement and could benefit from reinvestment.
- Goodrum asked about the recent improvements at Portland Avenue and American Blvd. Is there a benefit or incentive for those centers already improving? Grout said, in the past, they have spent five years intensively analyzing one area and focusing on redevelopment. An alternative to more significant redevelopment would be to provide financial incentives for centers to improve the site. Many commercial centers are aging but still viable.
- Nordstrom noted the importance of the center's proximity to Interstate 494. How do people access the commercial centers? Most neighborhood commercial centers near Interstate 494 are not easily accessed by foot. Most centers are accessed by car. Spiess noted the area at Portland Avenue and American Blvd is heavily used by foot. Grout agreed and said some of the foot traffic is from Richfield.
- Batterson would like to look at 90th Street and Penn Avenue and Portland and American Blvd as an example. They could provide a gateway to the City. He is less favorable for the other locations, especially Amsden Center because redevelopment of Highway 169 could impact the center. He said the center could fade into the background and would be difficult to come up with a viable option for redevelopment.

Markegard gave an overview of the draft scoring sheet for ranking. The factors are divided into three categories to assist in ranking the neighborhood commercial areas:

- Need – is there a need for redevelopment?
- Impact – what is the financial impact or “bang for your buck”?
- Challenges – what are the challenges among the centers?

Markegard explained that under each factor are multiple measurement criteria to analyze and score on a 0, 1, 2 scale. Each criterion is also weighted on a three-point scale based on significance. The higher the score means the higher the need and prioritization for reinvestment or redevelopment.

- Need
 - Spiess noted the ranking can be difficult especially if a challenge changes the ranking of the commercial center. Is it worth the staff time and energy to invest in redevelopment when there is an existing challenge? Markegard noted there are listed criteria under the Challenges category that would address that concern directly and discourage prioritization of high challenge areas. An advantage of this approach is the analysis treats every neighborhood commercial center equally. Grout said if an unforeseen challenge determines the outcome of the site, they can move to the next site for analysis.
 - Batterson suggested the Challenges criteria should be ranked first to filter out areas. Markegard said staff originally thought of a tiered ranking system that would filter some areas from further analysis; however, the HRA wanted all of the centers to be analyzed under all factors. Spiess stated the analysis is very subjective and many factors are variable. Markegard said the weighting system provides an opportunity for the struggling center to rise to the top.

- Nordstrom discussed the change of neighborhood commercial centers. In the past, the neighborhood commercial centers were dominated by grocery stores. Now, the small grocery stores have mostly disappeared and were replaced by much larger big box grocery stores. What kind of services could act as an anchor to the centers? Grout said the neighborhood commercial centers are all unique. It is important to find a private developer to come up with the market demand for a specific area. Markegard pointed out that some commercial centers could go to other types of land uses based on changing market demands such as high density residential. Grout stated senior housing could become an anchor for these centers.
- Nordstrom provided Kwik Trip as an example of differences in how consumers purchase food and what code may allow.
- Fischer asked if other communities are doing similar studies. Grout said many cities do a similar type ranking. Goodrum said the City of Burnsville studied their neighborhood commercial market. He also noted a market study could become an important component of this analysis. Grout agreed and a market demand analysis could be an important part of redevelopment planning, especially in later stages. Goodrum asked when the analysis goes to the property owners. Grout said the results go to the property owners once the ranking is complete and the City moves on to next steps such as coming up with programs and meeting with landowners.
- Fischer recommended the Impact category have a higher weight. If resources are being allocated to these centers, the neighborhood impact should have a greater significance.
- Batterson suggested the scoring should go through a test run first. Spiess would like to use the goals of the strategic plan to evaluate the criteria of the centers. She agreed the Impact criteria should be weighted higher based off the goals of the strategic plan.
- Visual quality – factors including landscaping, potholes, lighting and safety, dumpsters, loading docks, overhead utilities
 - Nordstrom suggested overhead utilities should be in the barriers criteria. Xcel Energy utility lines run through the City that is a serious barrier for development underneath those lines. Grout noted the transmission poles may be inevitable, though the smaller-scale neighborhood distribution lines could be buried so that it lessens the visual impact.
 - Goodrum asked how staff will conduct measurements of the centers. Markegard noted the measurement would vary by subject matter. Some of the criteria are a matter of data gathering while others require field visits and scoring. Schmidt stated two people would visit each site, analyze it and document the reasoning for their rank.
 - Batterson asked how the scoring works. Markegard said the higher the number, the higher the priority for redevelopment. For example, using one of the factors, if an area is consistently well-occupied then it would be a lower priority for redevelopment. Batterson said it might be better to allocate resources toward centers that are more occupied but need upgrades. Spiess agreed and noted each neighborhood center is very independent. How does the study tie in with equity? How do you tie in the goals and values of the City? Markegard said many of the proposed factors and the weighting of the factors tie in to City goals and to the issue of equity.
 - Nordstrom noted there are few doors into the City. How do you want to grab outside attention? He suggested adding “gateway status” as criteria. Spiess also recommended adding the usability of public transportation, sidewalks and bike trails.

- Nordstrom discussed the changing demographic trends. What is the goal? The gateways, transit and quality of life should tie in with the analysis.
- Obsolescence – factors include frequent vacancy, underutilization, age and neighborhood supportive retail mix
 - Batterson noted Nicollet Avenue and American Blvd is obsolete, whereas Portland Avenue and American Blvd is not obsolete. How do you measure obsolescence?
 - Goodrum asked about the difference between neighborhood supportive retail mix and key services. Markegard said key services would bring higher visibility. Some uses are less supportive but how do we analyze a use that is less neighborhood supportive? Grout said there is overlap between key services and Neighborhood Supportive Retail Mix. The idea is do people from a certain radius go to that key service?
 - Nordstrom said labeling and weighting could lead to results that are similar. Is it worth the exercise if the results of the study are similar?
- Nonconformity – factors include use, site, parking and setback non-conformities
 - Spiess agreed with the non-conformity criteria.
 - Fischer said parking is changing all the time.
 - Goodrum suggested less weight because of the many variables with non-conformity. Nordstrom said non-conformity may come up anyway as part of code enforcement and suggested deleting it altogether. Goodrum said a non-conformity criteria allows the commercial center to become code compliant.
- Values – factors including recent investment, assessed value, ratio of land value, value change over time, lease rates, property values
 - Spiess struggled with these criteria. What do low lease rates mean? She is sensitive to the changing demographic. Markegard noted the values criteria directly relate to equity. Grout stated the intent is to allow the center to fit in with the character of the neighborhood.
 - Goodrum liked the recent investment, ratio of land value and value change over time criteria. He did not favor the area median incomes criteria. Markegard said the intent of that measure is from an equity perspective and asked how much weight is appropriate?
 - Fischer did not want to penalize the centers who are making improvement efforts and suggested less weight on recent investment.
- Violations – factors including police calls and orders issued for code violations
 - Planning Commission was comfortable with the criteria.
- Visibility – factors including sphere of influence, traffic counts, provide key service
 - Batterson suggested a “gateway status” ranking in the visibility category with a high weight.
 - Nordstrom noted there are different types of traffic (commercial, truck traffic).
 - Connectivity – factors including robust sidewalk network, good bike/trail access, all day/every day transit service
 - Proximity to similar uses – factors including redundancy
 - Expansion opportunities – factors including affordable nearby land
- Challenges
 - Ownership – factors including complexity of ownership structure, multiple property owners
- Nordstrom said that willingness of the owner could be a barrier.
 - Barriers – factors including level of barriers (easements, utilities, flooding), viable for redevelopment (size), and feasibility
 - Market interest – factors including evidence of market interest
 - Goodrum asked for more information on market demand analysis.

Batterson reiterated the impact weight should be higher. It would be beneficial to do a test run with two centers. Markegard said because the scoring is comparative, it would be important to score all nine commercial centers together so that the scoring could be made relative to the entire group.

Next steps include a study session at City Council on April 11th, 2016.

ITEM 3

7:44 p.m.

APPLICANT: City of Bloomington**REQUEST:** Consider approval of draft Planning Commission meeting synopsis
3/10/16

ACTIONS OF THE COMMISSION:

M/Spiess, S/Willette: I move to recommend approval of the draft Planning Commission meeting synopsis of 3/10/16.

Motion carried 5-0. Batterson absent.

The meeting adjourned at 7:44 p.m.

.Prepared By: EO **Reviewed By:** GM, JS

Approved By Planning Commission: _____